



FEDERAL RESERVE SYSTEM

Agency information collection activities: Announcement of Board approval under delegated authority and submission to OMB

AGENCY: Board of Governors of the Federal Reserve System

SUMMARY: Notice is hereby given of the final approval of a proposed information collection by the Board of Governors of the Federal Reserve System (Board) under OMB delegated authority. Board-approved collections of information are incorporated into the official OMB inventory of currently approved collections of information. Copies of the Paperwork Reduction Act Submission, supporting statements and approved collection of information instrument(s) are placed into OMB's public docket files. The Federal Reserve may not conduct or sponsor, and the respondent is not required to respond to, an information collection that has been extended, revised, or implemented on or after October 1, 1995, unless it displays a currently valid OMB control number.

FOR FURTHER INFORMATION CONTACT: Federal Reserve Board Clearance Officer —Nuha Elmaghrabi-- Office of the Chief Data Officer, Board of Governors of the Federal Reserve System, Washington, DC 20551 (202) 452-3829.

Telecommunications Device for the Deaf (TDD) users may contact (202) 263-4869,

Board of Governors of the Federal Reserve System, Washington, DC 20551.

OMB Desk Officer—Shagufta Ahmed --Office of Information and Regulatory Affairs, Office of Management and Budget, New Executive Office Building, Room 10235, 725 17th Street, NW., Washington, DC 20503.

SUPPLEMENTARY INFORMATION:

Final approval under OMB delegated authority of the extension for three years, without revision, of the following report:

Report title: Registration of Mortgage Loan Originators.

Agency form number: CFPB Reg G.

OMB control number: 7100-0328.

Frequency: Annually.

Respondents: Employees of state member banks, certain subsidiaries of state member banks, branches and agencies of foreign banks that are regulated by the Federal Reserve, and commercial lending companies of foreign banks who act as residential mortgage loan originators (MLOs).

Estimated number of respondents: MLOs (*new*): Initial set up and disclosure, 173 respondents; MLOs (*existing*): Maintenance and disclosure, 21,656 respondents; MLOs (*existing*): Updates for changes, 10,828 respondents; and Depository Institutions, and subsidiaries, 741 respondents.

Estimated average hours per response: MLOs (*new*): Initial set up and disclosure, 3.5 hours; MLOs (*existing*): Maintenance and disclosure, 0.85 hours; MLOs (*existing*): Updates for changes, 0.25 hours; and Depository Institutions, and subsidiaries, 118 hours.

Estimated annual burden hours: MLOs (*new*): Initial set up and disclosure, 606 hours; MLOs (*existing*): Maintenance and disclosure, 18,408 hours; MLOs (*existing*): Updates for changes, 2,707 hours; and Depository Institutions, and subsidiaries, 87,438 hours.

General Description of Report: In accordance with the Secure and Fair Enforcement for Mortgage Licensing Act (S.A.F.E. Act), the Consumer Financial Protection Bureau's (CFPB) Regulation G requires residential mortgage loan originators (MLOs) to register

with the Nationwide Mortgage Licensing System and Registry (the Registry), obtain a unique identifier, maintain this registration, and disclose to consumers upon request and through the Registry their unique identifier and the MLO's employment history and publicly adjudicated disciplinary and enforcement actions. The CFPB's regulation also requires the institutions employing these MLOs to adopt and follow written policies and procedures to ensure their employees comply with these requirements and to conduct annual independent compliance tests to assure compliance. The CFPB's rule applies to a broad range of financial institutions and their employees, including Board-supervised institutions/employees, such as state member banks and their non-functionally-regulated subsidiaries, state uninsured branches and agencies of foreign banks, and commercial lending companies owned or controlled by foreign banks.

Legal authorization and confidentiality: The Board's Legal Division has determined that Section 1507 of the S.A.F.E. Act, 12 U.S.C. 5106, requires that the CFPB develop and maintain a system for registering individual MLOs of covered financial institutions regulated by a federal banking agency with the Nationwide Mortgage Licensing System and Registry. Section 1504 of the S.A.F.E. Act, (12 U.S.C. 5103), requires that an individual desiring to engage in the business of a loan originator maintain an annual federal registration (or be licensed by an equivalent state regulatory scheme) and appear on the Registry with a unique identifier. Section 1007.103 of the CFPB's Regulation G implements this registration scheme; Section 1007.104 requires the adoption of appropriate policies and procedures by covered financial institutions; and Section 1007.105 requires that covered financial institutions provide the unique identifiers of MLOs to consumers. (12 CFR 1007.103 - .105). Under Section 1061 of the Dodd-Frank

Act, (12 U.S.C. 5581©), “a transferor agency [such as the Board] that is a prudential regulator shall have ... “authority to require reports from ... conduct examinations for ... and enforce compliance with Federal consumer financial laws” with respect to the Board-supervised entities enumerated above. Therefore, the Board is authorized to collect this information with respect to the institutions we supervise for this purpose. This information collection is mandatory.

As noted above, the unique identifier of MLOs must be made public and is not considered confidential. In addition, most of the information that MLOs submit in order to register with the Nationwide Mortgage Licensing System and Registry will be publicly available. However, certain identifying data about individuals who act as MLOs are entitled to confidential treatment under (b)(6) of the Freedom of Information Act (FOIA), which protects from disclosure information that “would constitute a clearly unwarranted invasion of personal privacy.” (5 U.S.C. 552(b)(6)).

With respect to the information collection requirements imposed on depository institutions, because the requirements require that depository institutions retain their own records and make certain disclosures to customers, the FOIA would only be implicated if the Board’s examiners obtained a copy of these records as part of the examination or supervision process of a financial institution. However, records obtained in this manner are exempt from disclosure under FOIA exemption (b)(8), regarding examination-related materials. (5 U.S.C. 552(b)(8)).

Current Actions: On January 10, 2017 the Federal Reserve published a notice in the **Federal Register** (82 FR 2995) requesting public comment for 60 days on the extension, without revision, of the Registration of Mortgage Loan Originators. The comment period

for this notice expired on March 13, 2017. The Federal Reserve did not receive any comments.

Board of Governors of the Federal Reserve System, April 6, 2017.

Ann E. Misback
Secretary of the Board.

Billing Code 6210-01-P
[FR Doc. 2017-07247 Filed: 4/10/2017 8:45 am; Publication Date: 4/11/2017]